3. Provided that as the said debt is from time to time reduced by the redemption of Debentures forming part thereof, the Governor in Council may agree with the Lords Commissioners of Her Majesty's Treasury for the payment into the said Sinking Fund of such increased percentage on the portion of the said debt then unpaid, as will, after allowing for such renewal as aforesaid, ensure the sufficiency of the said Sinking Fund to pay off the said debt when due; and such increased percentage shall be paid accordingly out of the Consolidated Revenue Fund of this Province. 22 V. (1859) c. 1, s. 3.

A higher rate may be agreed on and paid as the debt is reduced.

7. And whereas it may be deemed expedient by the Imperial Parliament to enable Her Majesty to guarantee the payment of the dividends and interest on the sum of two hundred thousand pounds sterling, yet remaining to be borrowed of the sum authorized to be raised by the Act (9 V. c. 66) intituled, *An Act for raising on the credit of the Consolidated Revenue Fund, a sum of money required for certain Public Works*, and such guarantee would be of advantage to the Province: Therefore, if any Act is passed by the Parliament of the United Kingdom of Great Britain and Ireland, enabling Her Majesty to guarantee the payment of the dividends and interest on the said sum of two hundred thousand pounds sterling, or any part thereof,—the Governor in Council may cause the sum to which such guarantee extends (not exceeding the amount aforesaid) to be raised and borrowed with such guarantee, by loan, debenture or otherwise, in such manner and form, in such place (whether within or without this Province), and by such persons or officers as Her Majesty shall be pleased to appoint,—and all the provisions of this and the next preceding section, and of the Provincial Acts hereinbefore mentioned, shall extend to the sum borrowed with such guarantee, and to the payment of the dividends and interest thereon, and to the appropriation of a sum equal to two per centum thereon yearly, as a sinking fund for paying off the same, in like manner and as fully to all intents and purposes, as to the sums authorized to be raised by the Provincial Acts aforesaid. 10, 11 V. c. 2, s. 3, *and* 22 V. (1859) c. 14, s. 1.

Act 9 V. c. 66, recited.

Certain provisions of this Act extended to money to be borrowed under the said Act with guarantee of the Imperial Government.

REDEEMING OR RENEWING DEBENTURES,—SINKING FUND.

8. The Governor in Council may from time to time, and as the interests of the Public Service require, redeem or purchase on account of the Province, all or any of the then outstanding Debentures constituting the Public Debt of the Province of Canada, or of either of the late Provinces of Lower or Upper Canada, or all or any of the debentures issued by Commissioners or other public officers, under the authority of the Legislatures of either of the late Provinces of Upper or Lower Canada, or of the Legislature of Canada, the interest or principal of which debentures is made a charge on the Consolidated Revenue Fund of this Province, and may issue new Debentures

Governor in Council may cause Debentures to be redeemed and new Debentures for the same, or a less amount, to be issued, or may arrange for the exchange of outstanding Debentures for new ones.